

HOUSE JOINT RESOLUTION 508

By Mitchell

A RESOLUTION expressing opposition to the TransPacific Partnership.

WHEREAS, Tennessee has lost more than 188,000 manufacturing jobs (more than one out of three) since 1994; and

WHEREAS, the Tennessee poverty rate exceeds eighteen percent, which requires the expenditure of limited public funds to assist families in crisis; and

WHEREAS, the North American Free Trade Agreement (NAFTA) and all but two of the U.S. trade deals that followed NAFTA include special legal rights for foreign investors, known as "investor-state dispute settlements" or ISDS, that allow foreign firms to bypass state and federal courts to challenge state and local laws, regulations, and administrative and judicial decisions in international tribunals; and

WHEREAS, foreign investors already have used NAFTA's ISDS provisions to challenge decisions regarding local building permits, environmental regulations, state bans on toxic chemicals, and decisions of state courts; and

WHEREAS, ISDS claims can include energy expansion projects similar to the controversial proposed gas compression station in Joelton, as has occurred in *Lone Pine* (Canadian Oil Company) v. *Quebec* and *Vattenfall* (Swedish Energy Company) v. *Germany*; and

WHEREAS, Canada has had thirty-five ISDS claims under NAFTA filed against the nation and paid \$170 million in damages to corporations in six lost or settled ISDS claims, and Mexico has paid \$204 million resulting from five lost cases; and

WHEREAS, the threat of ISDS challenges to state, city, and local laws and their resulting damages will have a chilling effect on state, city, and county governments and undermine local control; and

WHEREAS, climate change and environmental degradation threaten communities across the globe, and ISDS provisions in the TransPacific Partnership (TPP) may expose nations enacting policies to fight climate change to ISDS cases that undermine these efforts; and

WHEREAS, promoting economic growth with equity in Tennessee requires an approach that reforms the entire trade negotiation process to ensure that voices of workers, farmers, small businesses, families, and communities are heard and their interests addressed; and

WHEREAS, the TPP has been negotiated in secret, effectively shutting state and local governments out of the process and thus limiting their ability to influence its rules to ensure the people of Tennessee can participate in the benefits of trade; and

WHEREAS, negotiating new trade agreements such as the TPP represents a missed opportunity to strengthen our economy, reduce income inequality, and promote sustainable growth; and

WHEREAS, it is in the best interest of the citizens of Tennessee that the TPP legislation not be enacted; now, therefore,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED NINTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, that the General Assembly opposes the TransPacific Partnership (TPP) and related enacting legislation and encourages each member of the Tennessee delegation to the United States Congress to do the same.

BE IT FURTHER RESOLVED, that the General Assembly calls upon the President and the U. S. Congress to support new trade deals such as the TPP only if they will:

- (1) Protect and promote traditional state and local prerogatives and authority under our federal system, including by ensuring that states and localities will

not be required to comply with certain commitments, including any restrictions on preferences for local, state, or U.S. goods or services, without prior informed consent of the legislature or local lawmaking body;

- (2) Ensure balanced trade;
- (3) Include enforceable rules against currency manipulation, which countries such as China and Japan have used to tilt the playing field in their favor;
- (4) Exclude ISDS and other provisions that favor foreign companies over domestic ones and undermine public choices;
- (5) Ensure that countries cannot undercut U.S.-based producers with weaker labor and environmental laws and enforcement;
- (6) Ensure that the U.S. will engage in robust enforcement of trade rules, including labor and environmental rules;
- (7) Include strong rules of origin to promote economic growth and job creation in the U.S.;
- (8) Promote high standards of protection for workplaces, products, and natural resources, rather than promoting a race to the bottom; and
- (9) Put the interests of people and the planet over the interests of private profit.

BE IT FURTHER RESOLVED, that the Clerk of the House of Representatives is directed to send a certified copy of this resolution to President Barack Obama, the President Pro Tempore and the Secretary of the U.S. Senate, the Speaker and the Clerk of the U.S. House of Representatives, and to each member of the Tennessee Congressional delegation.